

Related Change Request (CR) #: 4089

MLN Matters Number: MM4089

Related CR Release Date: October 21, 2005

Related CR Transmittal #: 714

Effective Date: April 1, 2006

Implementation Date: April 3, 2006

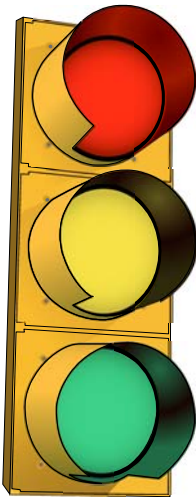
Payment Window Edit Corrections Within the Common Working File (CWF)

Note: This article was revised to contain Web addresses that conform to the new CMS web site and to show they are now MLN Matters articles. All other information remains the same.

Provider Types Affected

Hospitals (not including Critical Access Hospitals)

Provider Action Needed



STOP – Impact to You

This article is based on CR4089, which is correcting some edits in Medicare's claims processing systems related to the payment window that precedes a beneficiary's admittance as an inpatient to a hospital.

CAUTION – What You Need to Know

Medicare has, by law, a payment window that requires certain outpatient services provided immediately prior to a beneficiary's inpatient admission to be bundled into the billing for the inpatient stay. That is, some of those services provided prior to the admission are not separately billable to Medicare.

GO – What You Need to Do

CR4089 corrects certain edits related to this payment window. Specifically, those edits relate to whether services involving revenue code 048X (cardiology) are bundled. In addition, certain provider number edits are being modified. Finally, CR4089 makes certain clarifications and adjustments to the *Medicare Claims Processing Manual*, though these adjustments represent updates to the manual that have already been announced via prior Change Requests. Please see the *Additional Information* section of this article for more details on the edit changes.

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Background

The payment window policy is long standing Medicare policy. Section 1886(a)(4) of the Social Security Act and the regulations at 42 CFR 412.2(c)(5) and 413.40(c)(2) define the operating costs of inpatient services under the prospective payment system to include certain preadmission services furnished by the admitting hospital (or by any entity wholly owned or wholly operated by the admitting hospital or by another entity under arrangements with the admitting hospital). Maryland hospitals are also subject to the payment window rules.

Wholly owned means that the hospital is the sole owner or operator, and has exclusive responsibility for implementing facility policies such as routine operations. A hospital does not have to exercise administrative control or make the policies to be the sole operator.

Additional Information

As stated earlier, Medicare is modifying some system edits that enforce this payment window provision. Specifically, the edits are changing as follows:

- Services associated with revenue code 048X will only be bundled when the 048X code is present with one of the following HCPCS: 93015, 93307, 93308, 93320, 93501, 93503, 93505, 93510, 93526, 93541, 93542, 93543, 93544-93552, 93561, or 93562.
- In terms of the one-day payment window, services provided the day immediately prior to admission will be bundled where the third digit of the provider number contains an "S," "T," "R," or "M" on the inpatient claim.

Related Links

The official instruction issued to your FI regarding this change may be found by going to <http://www.cms.hhs.gov/transmittals/downloads/R714CP.pdf> on the CMS web site.

Attached to CR4089, you will find the revised Section 40.3 of Chapter 3 of the *Medicare Claims Processing Manual*.

Please refer to your local fiscal intermediary if you have questions about this issue. To find the toll free phone number, go to <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.pdf> on the CMS web site.

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